GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:1892
ANSWERED ON:04.12.2014
MINING OPERATIONS IN COAL BLOCKS
Patel Shri Prahlad Singh

Will the Minister of COAL be pleased to state:

(a) Whether the Government is aware about the starting of mining operations in those coal blocks which were allocated on the norms of captive blocks;

(b) If so, the details thereof;

(c) Whether such coal blocks are also included in the list which have started operation before setting up power plant;

(d) If so, whether it was proper as a matter of policy; and

(e) If not, the action taken by the Government in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL AND NEW & RENEWABLE ENERGY (SHRI PIYUSH GOYAL)

(a) to (e) : A total of 218 coal blocks were allocated to eligible public and private sector companies in pursuance of Section 3 of the Coal Mines (Nationalisation) Act, 1973, during the period 1993 to 2011. Out of 218 blocks, 40 coal blocks have come under production as on date.

Coal blocks for generation of power were allocated for the end use projects (EUPs) to be set up as well as for the existing EUPs. The production from the coal block was expected to be synchronized with the commissioning of the EUP where the same was allocated for proposed projects. Allocation of coal blocks was challenged before Hon'ble Supreme Court. Hon'ble Supreme Court of India in its judgment dated 25.08.2014 and order dated 24.09.2014 passed in Writ Petition (Criminal) No.120 of 2012 and other connected matters has declared all allocations of the coal blocks made through Screening Committee and through Government Dispensation route since 1993 as arbitrary& illegaland has cancelled the allocation of 204 coal blocks out of 218 coal blocks (i.e. except Tasra coal block allocated to Steel Authority of India Ltd. and Pakri Barwadih coal block allocated to National Thermal Power Corporation and 12 coal blocks allocated for Ultra Mega Power Projects). In case of 42 coal blocks (37 producing and 05 likely to come under production), cancellation shall take effect from 31.03.2015.

For management and reallocation of cancelled coal blocks, Government has promulgated 'the Coal Mines (Special Provisions) Ordinance, 2014' on 21.10.2014 to ensure smooth transfer of rights, title and interests in the mines/blocks along with its land and other associated mining infrastructure to the new allottees to be selected through an auction or allotment to government company, as the case may be. The allocation of coal blocks would now be made in pursuance of the provisions of Ordinance and Rules made thereunder in a time bound manner.